

DEPARTMENT OF THE ATTORNEY GENERAL

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Hawaii Attorney General Connors Joins Coalition of AGs and Hawaii Office of Consumer Protection Executive Director Levins Calling on Congress to Protect Consumers by Providing FTC with Much-Needed Tools

HONOLULU – Hawaii Attorney General Clare E. Connors joined a coalition of 29 attorneys general from around the nation and Hawaii Office of Consumer Protection (OCP) Executive Director Stephen Levins to support the Federal Trade Commission (FTC) in its efforts to combat fraudulent and anticompetitive conduct. In a letter to congressional leaders, the coalition expresses its strong support for the Consumer Protection and Recovery Act (H.R. 2668), which would ensure the ability of the FTC to obtain equitable monetary relief, including restitution for consumers and disgorgement of ill-gotten gains, after a U.S. Supreme Court decision changed established practice earlier this year.

"The FTC consistently has stood alongside Hawaii's consumer protection agencies to protect the public from dishonest and predatory practices," said Attorney General Connors. "This partnership has helped Hawaii use its resources more effectively to protect its consumers, and passage of the Consumer Protection and Recovery Act will allow the collaboration to continue."

"Historically, the FTC has played a critical role in securing restitution for consumers from violators of consumer laws," OCP Executive Director Stephen Levins said. "Congress needs to act as soon as possible to restore its authority to do so."

For 40 years, the FTC was able to obtain equitable monetary relief by suing wrongdoers in district court. In fact, in the last five years alone, the FTC successfully recovered over \$11.2 billion in refunds for consumers through court actions. But this all changed with the Supreme Court's April 2021 decision in *AMG Capital Management*, *LLC*, et al. v. Federal Trade Commission, which limited the ability of the FTC to recover money for injured consumers.

The FTC is an important partner to states as they police anticompetitive, unfair, and deceptive trade practices. The lack of authority to seek equitable monetary relief —

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directly in court proceedings — undermines the FTC's efforts to combat unfair and deceptive practices. As the coalition — led by New York Attorney General Letitia James and Colorado Attorney General Phil Weiser — makes clear in their letter, this forces states to divert resources away from other consumer protection efforts and to perform duties previously fulfilled by the FTC.

Unfair and deceptive trade practices are a serious problem in the United States and the coronavirus disease 2019 (COVID-19) pandemic has led to an uptick in consumer complaints. Likewise, unfair competitive practices have dire and adverse impacts on consumers and businesses. Monopolization, collusion, and other unlawful conduct threaten the proper functioning of the American marketplace and cost consumers and responsible businesses billions of dollars each year. Curtailing the remedies available to the FTC enables bad actors to keep their ill-gotten gains, thereby emboldening wrongdoers and incentivizing unlawful conduct.

Joining Attorneys General Connors, James, and Weiser in sending today's letter to Congress are the attorneys general of Alaska, California, Colorado, Connecticut, Delaware, Idaho, Illinois, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, Wisconsin, and the District of Columbia, as well as the executive director of the Hawaii Office for Consumer Protection.

The letter can be found here.

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